



A Stifel Company

Press Contact:

Mike Gelormino, Intermarket Communications, 212 -754-5479, mgelormino@intermarket.com

KBW ANNOUNCES 2016 BANK HONOR ROLL AWARD WINNERS
15 U.S. Banking Institutions Recognized for Exceptional 10-Year Track Record

New York – April 18, 2017 – KBW, a full-service, boutique investment bank and broker-dealer that specializes in the financial services sector, and a wholly owned subsidiary of Stifel Financial Corp. (NYSE: SF), today named 15 U.S. banking institutions to its coveted “Bank Honor Roll” of superior performers.

Honor Roll winners are publicly traded banking institutions with more than \$500 million in total assets that meet the following three conditions:

- No annual loss reported in net income per share before extraordinary items over the past 10 years;
- 2016 annual reported net income per share before extraordinary items equal to or greater than peak net income per share over the past 10 years; and
- Consecutive increases in net income per share before extraordinary items since 2009.

KBW found that 15 banking institutions, out of nearly 400 total companies screened, qualify for inclusion on the KBW Bank Honor Roll. This is down from 18 institutions in the prior year, and no new members were named to this year’s list.

KBW Bank Honor Roll winners include: **Auburn National Bancorporation, Inc. (AUBN)**, **BancFirst Corporation (BANF)**, **Century Bancorp, Inc. (CNBKA)**, **Eagle Bancorp, Inc. (EGBN)**, **Enterprise Bancorp, Inc. (EBTC)**, **First Defiance Financial Corp. (FDEF)**, **First Financial Bankshares, Inc. (FFIN)**, **German American Bancorp, Inc. (GABC)**, **Greene County Bancorp, Inc. (GCBC)**, **Lakeland Financial Corporation (LKFN)**, **ServisFirst Bancshares, Inc. (SFBS)**, **Signature Bank (SBNY)**, **Stock Yards Bancorp, Inc. (SYBT)**, **U.S. Bancorp (USB)**, and **Washington Trust Bancorp, Inc. (WASH)**.

“The KBW Bank Honor Roll recognizes a select group of high performers that showed tremendous resilience in what may have been the most challenging decade in modern banking history,” noted Fred Cannon, KBW Director of Research. “These banks were able to differentiate themselves from their peers despite a challenging rate environment and flattening yield curve for the better part of 2016 and remain well-positioned to continue to succeed.”

In terms of stock price performance, Bank Honor Roll companies significantly outperformed the banking industry during the five-year period between 2011 and 2016.

Over the five-year period between 2011 and 2016, the KBW Bank Honor Roll members posted significantly better-than-industry average price performance, rising 21.9% compounded annually on a median basis. This represents significant outperformance relative to both the KBW Nasdaq Bank Index (BKX) and the KBW Nasdaq Regional Banking Index's (KRX) five-year compound annual growth rates (CAGR) of 18.4% and 17.4%, respectively. In addition to outperforming their banking peers, the KBW Bank Honor Roll members also outperformed the broader market, as represented by the S&P 500 Index (SPX), which posted a CAGR of 12.2% over the equivalent time period.

KBW Bank Honor Roll members also trade at a premium to their banking peers. At year-end 2016, BKX and KRX banks traded at 13.6x and 17.6x consensus '17 EPS estimates, respectively. KBW Bank Honor Roll members traded at an even greater premium of 19.5x, on a median basis. Similarly, at year-end 2016, BKX and KRX banks traded at 1.3x and 1.8x book value, respectively. KBW Bank Honor Roll members traded at 2.4x, on a median basis.

In addition, KBW Honor Roll banks have better-than-industry performance ratios and growth rates when compared to the publicly traded bank universe with total assets over \$500 million.

So far, 2017 has proved to be challenging for bank stock performance. In 2017, despite declining 2.8% on a median basis, KBW Bank Honor Roll members modestly outperformed their banking peers as the KRX fell 4.1%, through March 31. KBW Bank Honor Roll members and KRX, along with BKX, which rose 0.3%, all lagged SPX which rose 5.5% in 2017 through March 31.

About KBW

KBW (Keefe, Bruyette & Woods, Inc., operating in the U.S., and Stifel Nicolaus Europe Limited, also trading as Keefe, Bruyette & Woods Europe, operating in Europe) is a Stifel company. Over the years, KBW has established itself as a leading independent authority in the banking, insurance, brokerage, asset management, mortgage banking and specialty finance sectors. Founded in 1962, the firm maintains industry-leading positions in the areas of research, corporate finance, mergers and acquisitions as well as sales and trading in equities securities of financial services companies.

###